

INDUS HOSPITAL: A CASE ON FAITH-BASED ENTREPRENEURSHIP IN PAKISTAN

Dr. Shahid Qureshi¹
Mr. Fawad Mehdi²

Abstract

The case describes the entrepreneurial journey of a passionate and dedicated entrepreneur, Dr. Abdul Bari. He is the founder and CEO of Indus Hospital, a unique 150 bed philanthropic hospital in Pakistan, where patients are provided high quality medical care facilities and even the most expensive modern surgeries, are done free of cost. He has definitely come far since his college days, having done multiple projects since then, and finally culminating in the form of Indus Hospital which to date has provided free treatment to over 1 million people.

The case further examines the vision Dr. Bari had of expanding his business and taking it to the next level.

Key Words

Faith based entrepreneurship, spiritual orientation, opportunity recognition, strategic growth options, entrepreneurial skills, creativity, and effectual mindset.

¹ Director Center for Entrepreneurial (CED), Institute of Business Administration, Karachi, Pakistan, Email: squireshi@iba.edu.pk

² Manager Aman CED, IBA Karachi, Pakistan Email: fmahdi@iba.edu.pk

Dr. Abdul Bari sat in his office pondering over what further acts of social service had been written in his destiny and how much more could he do in his life. Donations kept coming in for Indus Hospital and so did requests by the government and private sector to take over other similar projects in Pakistan and Tajikistan. Could he see the expansion of the Indus Hospital to a 1500 bed hospital through donations with ease? And will it be prudent to be solely dependent on them? He also wondered how he was going to instill his vision deeply enough in his colleagues and staff to carry on the legacy of social service once he is no more in this world. Should he try to make Indus Hospital self-sustainable? If so, then how? These were some of the questions Dr. Abdul Bari was wondering upon before he was to make a presentation in the next board meeting.

In office, lying back deep in his chair he also wondered on whether he should start identifying the next successor or should simply leave it to God as he had done multiple times in the past, always giving him good results. He also wondered about the possibility of opening up more hospitals in the rest of the country. Surely there was enough potential, but finding a motivated and visionary human resource (including administrative staff, nurses and doctors) had been the major issue for such a social and enduring project. How would he raise a workforce of skilled doctors and nurses to run hospitals in backward regions such as Rahim Yar Khan and Muffargarh, where he had recently received an offer to take over a hospital. Even if he managed to train and develop such a workforce, who would finance and sustain these projects? He is contemplating his next step.

Dr. Abdul Bari, the Entrepreneur

Originally hailing from a family in Peshawar, Dr. Abdul Bari Khan was born in Karachi in 1961. His father had a very small business and lived a very simple and religious life. Dr. Bari along with his two elder brothers had tried to become Hafiz (those who learn the Holy Qur'an by heart)

and Aalim (Religious scholars) of the religion of Islam, but only one of them succeeded in become a renowned Islamic Scholar.

Dr. Bari recalls his childhood memories:

“My father used to wake up before dawn for his Tahajjud (night time) prayers and he used to pray for all his brothers, sisters and their children and in the end he would make supplication of us in an audible voice. Regarding me, I remember he used to pray that, O Allah! accept my son Abdul Bari to become a doctor and instill in his heart the love for serving humanity through this profession, so that he may be pleasing to You.”

The household was highly devoted in matters of religion and every member of the family had to attend collective evening supplications. However, Dr. Bari's education was not neglected in the least. His father understood the importance of providing quality education to his children in order for them to achieve the visions which he had dreamt for them. Sailing through his early schooling years, Dr. Bari managed to secure admission in Dow Medical College (DMC), one of the leading medical colleges in Karachi, and he graduated in 1986 from DMC.

Establishment of a Blood Bank

During his studies, Dr. Bari always worked for the vision his father had dreamt for him. He looked at every possible opportunity to help the poor and benefit humanity from his acts. During his college days, back in 1981, he volunteered in Patients Welfare Association (PWA)'s blood bank in DOW Medical College, and soon became its focal person due his passion to serve the people. In those days, blood banks were very few in numbers and supply of blood came from drug addicts, who managed to earn a small sum of money in return. However, the blood was very low in hemoglobin, infected and low in viscosity making it unusable unless treated. A strike in

1981 by the drug addicts demanding higher price caused a major shortage of blood across Karachi, which led to the deaths of several patients.

Amidst this situation Dr. Bari and his friends volunteered to establish a blood bank through donations from the general public. Patients were provided the blood bottles in exchange for blood donation. Importantly, amongst many other issues including finances and transportation, the blood in those days did not have storage capacity and thus had a very short shelf life. In order to sustain his project Dr. Abdul Bari decided to receive formal training on blood separation procedure, from Germany. That way a single blood donation was used to separate the different components of blood which were given to different patients depending on their needs; allowing one patient to receive platelets and at the same time another received white blood cells from the same bottle of blood. Workshops were conducted by Dr. Abdul Bari to train other doctors the process of blood separation free of charge. Today the same blood bank is maintained by DOW students and has reached a distribution capacity of 275 units of blood each day.

He also managed to develop a free diagnostic center at Civil Hospital through his networks and donations. The center provided much relief to the patients who now could afford to get treated any time through the day.

However, Dr. Bari fondly recalled:

“Whenever I would share all my achievements with my parents, they would sigh and say, Abdul Bari this is the work of your Lord not you.”

Dr. Bari claimed that these words by his parents never made him arrogant and changed the way he perceived success, creating humbleness and gratitude in his personality. He claims that even today, whenever people come up and congratulate him on his accomplishments of Indus Hospital he would smile and say, this is not my work, this is the work of my Lord!

The Casualty Ward of Civil Hospital

Establishing a blood bank in DOW was a small achievement for Dr. Bari, he knew that he had to go a long way on this path if he was to fulfill the vision of his father. In 1986, Karachi witnessed a bomb blast in the heart of a large wholesale market. Many people lost their lives and those who were lucky enough to survive were brought over to Civil Hospital only to find themselves lacking remedial medical care. There were insufficient beds and no casualty ward in the public hospital, many people further died due to lack of resources.

Dr. Bari recalled:

“My team and I had to sift through the dead bodies to find the injured victims who were still alive and we tried to utilize as many resources that were on offer at that time but still many could not be treated at all.”

The incident prompted Dr. Bari to take the initiative and build a casualty ward in Civil Hospital. There were no funds available to establish the ward. He, however, found an architect and convinced him to design the ward for free. One of his close friends also agreed to participate in the project by acting as the project manager. The current medical director of Indus Hospital, Zafar Zaidi, also got involved in the project. Thus Dr. Bari who once set his foot alone on this journey, now had a team of few friends who shared the same vision and walked the same path.

With some friends willing to help in this effort, the challenge which laid for Dr. Bari was raising sufficient funds for the construction of the ward. The total amount required for a 36 bed ward was estimated at PKR 36 lakh. Relying on the local Government to fund the project was something they never assumed, simply due to the lack of apathy of the government and the bureaucratic hindrances in the release of funds. Unsure but unhindered of where to raise donations from, the team prepared an innovative plan. They decided to present the need of this

project to students of popular schools like City, Beacon house, Habib Public etc., requesting for small donations.

Their efforts soon bore fruit as they were able to collect a significant amount from one of the schools administration and children. After zealous efforts and incessant hard work, the team managed to complete the ward through donations only. At that time, Dr. Abdul Bari and his friends dreamt of laying a foundation of a hospital someday, which would provide free medical care to the people who could not afford it.

Dr. Bari recalled:

“This was the moment in which I envisioned the ‘Indus Hospital’ and never realized that the same dream would be realized very soon.”

Post-graduation and the Operation Theatre

Dr. Bari could not go abroad for further studies after his graduation. His father had been afflicted by paraplegia and was critically ill. He recalled,

“Being the only doctor in the family, I had a duty towards my father first, thus I did not opt to go abroad for studies. I stayed back and served my father. I would wake up at night to help my father for Tahajjud, helped him wash up, perform prayer and then used to take him for Fajar prayer to the mosque. My parents felt sad, realizing the fact that despite having offers from medical colleges abroad, I stayed back while all my friends went abroad to study.”

Dr. Bari was mentored in his profession by Dr. Rehman, a cardiac surgeon looking after the medical health of Dr. Bari’s father. Dr. Abdul Bari envisioned developing an operation theater in the Civil Hospital. He knew it would be a daunting task to develop such a ward in a public

hospital as he would have to fight his case in front of the government and convince them to release funds for its development. The waiting time for the patients was 2 years for cardiac surgery and many patients died before their operation could even be attempted. Another option for him was to conduct a donation drive and raise money for the project himself; he chose the latter. He discussed his vision with Dr. Rehman who provided great support in matters relating to administration and bureaucracy. Leveraging his resources, Dr. Bari decided to build more operation theaters.

As he shared this idea in his circle of acquaintances and family, one of his friends agreed to donate his personal savings to this cause seeing his commitment and credible history. Hence, work on the project started. However, as always had been the case, donations were running on the low end and before completion of the project PKR 600,000 had to be arranged in order to pay the contractor; this had to be done before Dr. Bari's flight to Peshawar for his own wedding scheduled on 20th December 1991. Despite commitments the money did not flow in from donors. Dr. Bari recalled:

“It was a very difficult situation for me. On one hand I was getting married and on the other hand I had the task of paying my contractor the remaining amount. On the night before my departure, I woke up in the midst of the night feeling tensed, thinking about my debt. I tried to go back to sleep but couldn't so I got up to pray and I prayed to Allah (the Exalted) to make it easy for me; and that when I leave for my wedding I should not have the burden of a loan on my shoulders.”

On the morning of the 20th he went for inauguration of the ward, where different people and donors were invited to attend the inauguration. As luck would have it, the donor who committed to donate towards the project showed up. Dr. Bari briefed him about the remaining payments

worth PKR 600,000 to which the donor agreed and hence the donations for the ward were completed before his departure to Peshawar. Two operation theatres were added and the ICU capacity was doubled to 20 beds from 10. The waiting time for operations dropped to 6 months.

Years at the Civil Hospital and Establishment of the Cardiac Surgery Ward

In 1994 after completing his post graduate training in cardiac surgery, Dr. Bari returned to Civil Hospital as Associate Professor only to find there was no cardiac ward. Simultaneously there was no plan to open a ward for the next 3 years either. Again choosing to do it all by himself rather than the government, Dr. Bari and his doctor friends in cardiac surgery decided to make a ward at the Civil Hospital. The total cost for the project was estimated at PKR 35 million (in 1996).

Working on the project started as soon as Dr. Bari started collecting donations. During this time, Dr. Bari had become a renowned doctor for his sheer commitment, competency, and his compassion to serve humanity. He started getting job offers from famous hospitals like Agha Khan University Hospital (AKUH), but he refused it all.

Reflecting on this, Dr. Bari narrated:

“When I had seen the stark realities of life it did not befit me to see myself earn the riches of the world and let the poor die. I had seen the people coming to Civil Hospital having sold all their belongings and having no money so that a loved one’s life may be saved.”

Thus under nominal wage, Dr. Bari continued to serve the Civil Hospital for the next few years.

Industrial Profile - Health Care in Pakistan

A South Asian country with a total population of above 183 million and still growing, Pakistan is the world’s sixth most populous nation. With a GDP per capita of USD 1,300 and approximately

21% of the population living below the poverty line, the income distribution was rather unequal for the country. The bottom 40% of the population had only 23% share of the total household income, while the top 20% holds 40% of the nation's total household income.

As a result of poverty and income inequality, the healthcare services were not accessible to all citizens of the nation. Infant mortality rate stood at 59 out of every 1000 live births, while the under-5 mortality rate was 72 out of every 1000 live births. The maternal mortality rate was also high at 260 per 100,000 live births. Diseases such as polio, tuberculosis and HIV were also quite prevalent in the country. With an undoubted prediction for a further soar in these figures, only 1% of the GDP was allocated to the health sector in public spending in 2010. The corollary to these facts meant that the public hospitals lacked infrastructure, medical equipment, staff, nurses and more importantly doctors, to cater to the population who turned to relatively cheap public hospitals as a first choice. It takes only a trip to a public hospital to see the plight and apathy of the sick and poor. A large number of people swarmed the various wards, hoping to find a messiah. Open gutters, unusable washrooms for patients and animals ranging from cats and dogs were to be found in some of the "leading" public sector hospitals of the country, not to mention the termites, rats and cockroaches that can be seen moving around the hospital floor and in emergency wards where patients were being treated.

According to the SBP Handbook of Statistics for 2010, there was only 1 doctor per 1183 people in Pakistan, 1 dentist per 16814 people and only 1 nurse per 2383 people in the country. Confirming to the law of demand and supply, and the notion of *free hand* intervening to force equilibrium in the market, the short supply of medical staff led to the emergence of private hospitals, charging preposterously high fees. With increasing costs of quality health care most patients chose to accept their fate, rather being treated expensively and leaving their family to die

of hunger. Overall the country ranked 146th out of 187 on the Human Development Index (HDI) leaving a lot of room for improvement.

Private hospitals like Aga Khan and South City, despite being very expensive were working to their maximum capacity. The population of patients was simply too much to be catered by a handful of hospitals, be it in private or public sectors. The need for an intervention in this sector was seen by Dr. Abdul Bari Khan.

THE FOUNDATION OF THE INDUS HOSPITAL (TIH)

During his work at Civil Hospital, Dr. Bari came across many patients with very painful stories. In one such case he recalled that he attended to a young girl who was abandoned and left to die as it became highly unaffordable for her parents to spend on her medical treatment. Although Dr. Bari arranged the necessary medical care for her through his ward, but he pondered over the state of helplessness of her family as well as the rise of poverty levels in Pakistan.

Dr. Bari was shaken apart by this incident. It left him wondering what he could do next to eliminate such proceedings. Next day he sat down and discussed with his colleague and developed a plan for setting up Rufaydah Foundation (RF), in 2004. It took 4 months to complete the documentation and a plan. The idea was to set up a comprehensive, excellence driven, unconditional healthcare (in the form of a free of cost hospital) to please Allah (swt) and serve humanity. The main asset of RF would be its human resource which would work for technical and spiritual development. And the foundation will run solely on Waqf (donations).

In 2004 he came across an organization "The Islamic Mission Hospital Trust" which had 20 acres of land and a vision which was aligned to Dr. Bari's. The Trust had started with a similar

project (of providing free health care) but had been unable to sustain it. Dr. Bari now had a piece of land and some area of building to make his dream come true.

Thus, work began on Indus Hospital in May 2005. The board had no money, however one thing that Dr. Bari had was trust in Allah (swt). He relied on it and his 20 years credibility as a doer of such projects, and approached one of his major donors who had, in recent years, contributed approximately 20 million rupees as donations to Dr. Bari's previous projects.

Dr. Bari shared his vision of building a hospital and providing free medical care to the people. The donor questioned the sustainability of the project and was at first reluctant to help him. However, Dr. Bari was confident on his dream project, and convinced the donor to trust him and his vision. After many rounds of convincing, the donor (who he refused to be named) agreed to donate PKR 100 million to the cause, feeling that he had found a reliable and perseverant man, backed up by a reputation of leading many philanthropic projects to success. Being a non-profit organization the government exempted all taxes from the hospital. In his first donor meeting Dr. Bari had secured the donation in 20 minutes. And, on leaving the meeting, he called upon his team saying the hospital was all but made.

After securing the first donation, it became relatively easy for the Indus team to convince other donors as well. Word spread among the leading businessmen and the team was called upon to present their vision and project. Alas, the hospital was established with a cost of PKR 350 million, all collected through donations and never once was any problem faced. In 2007 the first patient walked in to Indus Hospital. It was the first hospital in Pakistan and also worldwide to have '***NO cash counters***'. All medical services were provided free of cost and best doctors from renowned hospitals like Aga Khan served at Indus Hospital and were paid at par with the market salaries.

Dr. Bari reflected:

“If you leave it to God, a path is made itself. Whenever I have gone to a donor with full certainty that I will get a donation, I never got it. Because God has His ways and own plans and does not like arrogance on the part of men.”

THE JOURNEY OF THE INDUS HOSPITAL

Indeed, Indus has come a long way from its inception. What was earlier the value of one man, has been translated into the mission and visions of the entire hospital (See Exhibit 1). To ensure that hospitals such as Indus are available all over the world, The Indus Hospital (TIH) has maintained the consistency of its mission and visions and made sure that ‘The Indus model’ is easily ascendable and duplicable. In 2007, under section 42 of The Companies Ordinance, 1984, TIH was registered as a Company to make certain of its strong governance and transparency. The management is supervised by a Board of Directors, comprising of Technocrats, Entrepreneurs and Philanthropists from different fields and walks of life.

What started off as a dream of a single man has now been transformed into reality. So far, over a million patients have been provided quality health care free of cost, ranging from day care services to specialized surgeries, and the number of patients continues to grow. The value of services rendered by Indus has consistently risen during these periods as well. Apart from providing health care facilities in the hospital, Dr. Bari has also introduced health awareness campaigns, led by a senior doctor in their specialized sphere. The campaign focuses on a

particular disease which is specifically emanating in a particular locality. The aim is to create awareness and teach pre-emptive measures which must be taken in order to minimize the risk of disease spreading further in the population.

Indus has also provided various medical facilities as well. These include General Medicine, Family Medicine, Pediatrics & Pediatric Surgery, Children Cancer, Cardiology & Cardiothoracic Surgery, Orthopaedics & Trauma Surgery, General Surgery, Emergency Room, Laboratory (Clinical as well), Radiology, Infectious Diseases, Diabetes Care, Nephrology, Urology, ENT, Ophthalmology, Gastroenterology, Dermatology, Plastic Surgery, Nutritional Services, TB Clinics, Anesthesia, Critical Care and Pain Management as well. Not only does the hospital provide free medical care, Indus hospital is the '*first paper-less hospital*' in Pakistan. All details of the patients are stored through a software in the database, developed by the core team of Health Informatics professionals, comprising of doctors, surgeons and software developers. Even the most advance and expensive hospital in Pakistan does not have the facility of recording all patients' data, including registrations, prescriptions, and surgical records directly into highly advanced Hospital Management Information System (HMIS). Apart from patient information, all administrative processes are also recorded electronically in the HMIS software, ensuring that the hospital environment is completely paper-less. The institute has numerous collaborations, partnerships and alliances with prestigious organizations that have aided it in program funding, research and emergency relief.

Currently, TIH entails 150 beds, a 9 bedded Emergency Room, and it caters to 1000 out-patients per day and 30 in-patients per day (See Exhibit 2 & 3). Dr. Bari envisions having a 1500 bedded hospital, with 100+ E.R., and being able to serve 5,500+ out-patients and 371 in-patients per day.

A team of Singapore architects renowned for developing green hospitals visited Indus Hospital and were overwhelmed to see the dedication with which the team worked to help the poor to provide free medical care. They offered to design Dr. Bari's expansion project on a cost basis of USD 1.5 million. Hence, they came up with a unique architectural model of a **“window for every patient”** which meant that each patient admitted in Indus will be able to breathe the natural air and feel the natural sunshine in his room. This will be incorporated in the new design of Indus hospital and will be the first hospital of its kind in Pakistan to have such a design.

Envisioning the Future

When asked about the expansion for Indus Hospital and the certainty of the attainment of objectives, Dr. Abdul Bari stated:

“It will happen and it is bound to happen. If not through me, then someone else will take over to complete it.”

Dr. Bari was lucky that he was able to find a team of selected doctors who are working at Indus with the same passion as Dr. Bari himself. One such surgeon is Dr. Anjum Naveed, a senior ENT surgeon having decades of international experience and heading the ENT department of Indus.

When asked what motivated him to stay at Indus, he said,

“The work that Dr. Bari is doing is truly amazing. This is a unique hospital in the world and as a professional doctor it is my duty to serve people through my profession. Although it is hard work and committed doctors are difficult to recruit but we are working on it.”

Even some of the employees working in the management department viewed their job as being very sacred. Mr. Zohaib Faidi, a young graduate from a business university working in the marketing department at Indus, narrated:

“I have developed ownership of my work. When I look back at how much good I have returned to society through my job at Indus, it overwhelms me. I am no more worried only about my pay checks at month end. For me it’s also about how much I have contributed in promoting the welfare of my poor people. Working at Indus has contributed a lot to the development of my spirituality as well.”

The Way towards Self-Sustainability

During this time Dr. Bari realized that money is tough to come by but not too tough as long as you do your work honestly. When meeting donors for the expansion project, they asked him for a guarantee that he would actually accomplish his vision. He said he was willing to give any guarantee they wanted if all of them combined could even guarantee the next second of his life. Dr. Bari held a strong conviction that once he’s no more, the next successor will lead the Indus project to greater success.

However, the major challenge for Indus remains its sustainability and diversified revenue streams. All monthly expenses of over PKR 70 million (USD 700,000) are currently being met through donations. Therefore, the Indus Hospital management has established a detailed plan, founded on the Waqf model (donating for a religious cause). This plan has 2 main areas i.e. Revenue (Profit) Centers and Endowment Funds. Under the former, Indus plans to diversify its allied services and establish off site centers which would assist in its operative expenses. These centers will operate around the following areas:

- Lab and Diagnostics

- Health Information
- University of Health Sciences
- Radiology and
- Blood Center

Under the latter, TIH has created reserves invested in diversified sources, whose returns are again, used to assist its operative expenses. However, to ensure replication of the Indus model, Dr. Bari faces another important issue, People. The current Human Resource (HR) policy of Indus is to attract the best resource persons in the market at the market competitive rate. This is done to ensure that the best resource is recruited and that the doctors and the management staff do not feel that their services are under-valued.

A more striking issue however is that the majority, even though are paid market competitive salaries, do not possess the vision and mindset, which forces migration of an individual's cognition from materialism, where there is a race for saving one's own skin and where self-interest prevails, to humanitarianism and love for humanity. To address this issue, Dr. Bari has planned to set up a post graduate college as well as his own medical school to inculcate in the youth, a mindset to serve humanity through the medical profession. Once built, it will house 3,000 students.

Indus hospital is currently undergoing great expansion work both within Indus and outside of its boundaries (See Exhibit 4). They have recently acquired a hospital in Rahim Yar Khan, which was built with a similar vision but was handed over to Dr. Bari after the demise of the former's CEO. The government is also playing its part in promoting hospitals like Indus. The Chief Minister of Punjab has handed over a hospital, built by the government of Turkey for the flood victims of Muzaffargarh to Indus Hospital in 2014.

When asked the purpose of doing all this, Dr. Bari smiled and replied:

“The pleasure of Allah (swt) that is what all our visions should be aimed at. Indus will go to all heights that God has already ordained for it. However, my journey doesn’t end at Indus. This is only the beginning. My long term vision extends well beyond the scope of medical treatment and prevention, to education and socio-economic development for Pakistan.”

Exhibit 1: Mission and Vision Statements of Indus Hospital

Mission: With the sole motivation of pleasing ALLAH (The Exalted), The Indus Hospital aims to enhance the Islamic value of service to humanity at large.

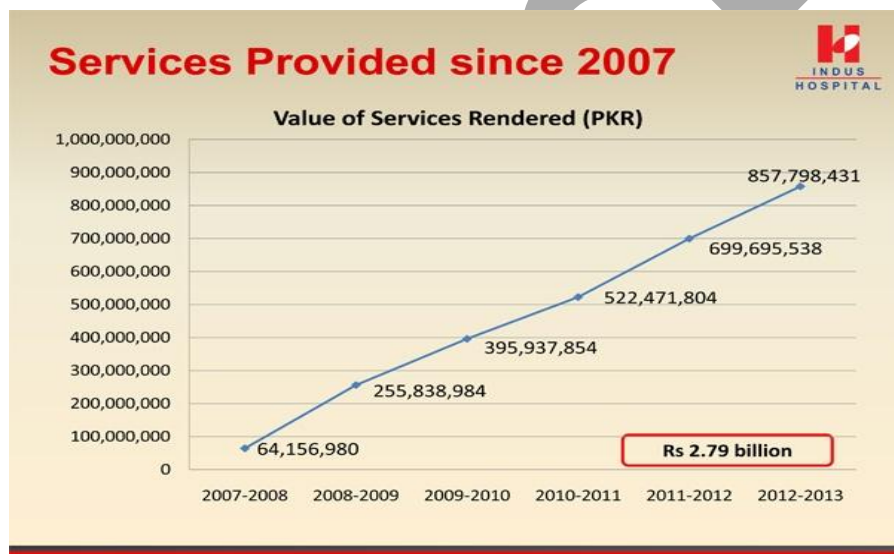
Vision: The Indus Hospital focuses on providing excellence-driven (as stipulated in the Islamic concept of Ehsan), comprehensive, free of cost, unconditional healthcare to the creation of Allah (The Exalted).

Source: The Indus Hospital

Exhibit 2: Volume of Hospital services rendered

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Inpatient	3847	11094	16573	17575	18046	19829
Outpatient	47,928	137,185	224,081	292723	342671	353448
Test conducted	43,785	175,746	293,486	410,970	456,297	467,810
Surgeries	1716	5077	7734	8130	8637	9451

Source: The Indus Hospital

Exhibit 3: Trend of Value of Services rendered

Source: The Indus Hospital

Exhibit 4: Future of Indus Hospital



Source: The Indus Hospital

REFERENCES

About Pakistan." *UNDP*. N.p., n.d. Web.

<http://www.undp.org/content/pakistan/en/home/countryinfo/>

Statistics." *UNICEF*. N.p., n.d. Web.

http://www.unicef.org/infobycountry/pakistan_pakistan_statistics.html

http://www.sbp.org.pk/departments/stats/PakEconomy_HandBook/

IBACED